



16711.ACP

To : Alternate Compliance Program Vessel Owner/Operator

Subj: ALTERNATE COMPLIANCE PROGRAM OVERSIGHT

Ref: (a) Marine Safety Manual Volume II Chapter 32  
(b) Navigation and Vessel Inspection Circular NO. 2-95, Change 1

1. The purpose of this letter is to explain how oversight of the Alternate Compliance Program (ACP) will be augmented by the Traveling Inspectors. ACP is a program shift where participating vessel owners and operators select an authorized Classification Society to conduct the safety inspections previously performed by the Coast Guard. It also reflects the Coast Guard's contention that vessel safety is a continuous responsibility. U.S. regulatory compliance on participating vessels will be ascertained through spot checks and unannounced visits by the cognizant Officer in Charge, Marine Inspection and oversight exams by the Traveling Inspectors. To accomplish this, reference (a) established a goal of the Traveling Inspectors examining ten percent of ACP vessels each year.

2. Once a vessel is enrolled in ACP, the Coast Guard recognizes compliance with the authorized Classification Society's rules, the U.S. Supplements and IMO conventions as an acceptable basis for issuing a Certificate of Inspection (COI). The Coast Guard retains the authority to deny or revoke a COI and detain participating vessels based upon clear grounds including involvement in a marine casualty or pollution incident; failure to correct a condition of class; unreasonable delays in complying with conditions of class or correcting statutory deficiencies; or expiration of required documents. The Class Surveyor is an agent of the Coast Guard when conducting a survey under ACP. As such, the Surveyor has the same responsibilities as a Coast Guard Inspector to retain the confidentiality of sources of information and to follow up on crew concerns about personnel safety, the fitness of the vessel to proceed and the potential of a threat to the environment.

3. ACP oversight activities are designed to identify and correct program discrepancies in advance of safety deficiencies. Involvement of the Traveling Inspectors will ensure program consistency nationwide and that an equivalent level of safety is maintained on ACP vessels. In conducting oversight, we want to minimize duplication of effort and avoid interrupting vessel schedules. Participating vessels will receive boardings comparable to annual port state control (PSC) exams to ensure consistent treatment between U.S. and foreign flag vessels. We will also evaluate the activities delegated to the ACP classification societies through these examinations. ACP oversight activities will also assess human factors and capabilities of the ship's crew.

4. This comprehensive oversight program establishes guidelines for inspection scope, vessel selection criteria and data collection procedures for consistent measurement. It ensures that participating vessels are consistently designed, built, operated and maintained at a level equivalent

to that achieved by vessels under the Coast Guard's traditional inspection program. This equivalency will be verified by ensuring that companies' quality systems are in place and working as designed and that their records are properly maintained. The Class Society's data base for participating vessels will be available to the Coast Guard for accessing inspection details. Oversight will also ensure that the appropriate checklists are used during the surveys and the material condition of participating vessels is reflected in the documentation.

5. To provide oversight of ACP, the Traveling Inspectors will conduct boardings on vessels selected using the criteria established below plus input from the liaison officers. An appropriate time to conduct oversight boardings is prior to the due date of the intermediate surveys for class. Statistics indicate that this is the point in the cycle of surveys when the condition of a vessel may begin to deteriorate. While conducting oversight we will review correction of external audit non-conformities, follow the paper trail including corporate quality management systems and conduct general examinations of critical systems. Following a thorough review of the Class Society documents, we plan to conduct a 2-4 hour exam concentrating on structural soundness, mechanical systems, safety and pollution prevention equipment. We developed three methods to accomplish oversight boardings.

Method 1. Participate in a ship ride from adjacent coastal ports to evaluate ACP vessels while underway. We received expressions of concern from a participating company that the inspector will use the time to compile a list of deficiencies, this is not the intent of oversight. The ship ride would provide training opportunities if the Traveling Inspectors were accompanied by junior HQ staff or officers assigned to MSOs. There are negative aspects of this method including logistics, time and imposition on the company. A plus is a minimum of in port delay to the company.

Method 2. Conduct a "sweep" for a week in a selected port, boarding all ACP vessels that visit that selected port. This is similar to the Norwegian method where Det Norske Veritas boards all vessels that they class on behalf of the Norwegian Maritime Directorate.

Method 3. Conduct unannounced boardings using PSC-like guidelines. Commandant (G-MO-1) will select vessels to board using this criteria:

- Review Class printout of ACP vessels with surveys due.
- List those with AHS, AMS, SLS
- Review 3yrs of MSIS data including VFCG, MCIR, MIAR, VFCM & MICOI.
- Feedback from OCMI's.
- Determine port of inspection, build date, vessel type(risk), date of past oversight inspection (whether vessel was subject of oversight within past 10 years), # of inspections needed to reach 10% of ACPs.
- Note score on ACP re-examination matrix.

6. MO-1 will conduct oversight boardings of ACP vessels using all three of the methods and evaluate the pros and cons of each. It is important to have flexibility to conduct oversight using various methods while the program grows. MO-1 with input from OCMI's,

G-MOC, Class Societies & ACP owners will compile a report that summarizes the status of the ACP oversight program after one year. It will note the number and type of boardings, non-conformities discovered and summarize germane MSIS entries.

7. Please provide any anecdotes of general interest and any issues that should be considered to improve the ACP by July 1998 to be included in the report. More information about ACP is available on the Coast Guard pages of the World Wide Web. If you have questions please call me at the number above.

J. M. GARRETT  
By direction